Hearing: Paper No. 18
September 17, 1998 ejs

THIS DISPOSITION IS NOT
CITABLE AS PRECEDENT OF THE TTAB JUNE 29,99

U.S. DEPARTMENT OF COMMERCE
PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

Miguel Torres, S.A.

v.

Norsan Foods, Inc.

Opposition No. 101,850
to application Serial No. 74/673,148
filed on April 28, 1995

Robert McMorrow of Sughrue, Mion, Zinn, Macpeak & Seas for Miguel Torres, S.A.

James B. Middleton for Norsan Foods, Inc.

Before Cissel, Seeherman and Hohein, Administrative Trademark Judges.

Opinion by Seeherman, Administrative Trademark Judge:

Miguel Torres, S.A. has opposed the application of Norsan Foods, Inc. to register CASTA as a trademark for tequila.[1] The opposition is brought pursuant to Section 2(d) of the Trademark Act, with opposer alleging that it

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[1] Application Serial No. 74/673,148, filed April 28, 1995, based on an asserted bona fide intent to use the mark in commerce.

sells alcoholic beverages, primarily wines and brandies; that in connection with the sale of its wines and other products opposer has used the trademark DE CASTA; that it is the owner of two registrations for DE CASTA for wine; and that, if applicant were to use its applied-for mark on tequila, it would be likely to cause confusion or mistake or to deceive.

In its answer applicant admitted that its application is based on an intent to use, and that it has made no use of the mark in commerce. Applicant denied all other salient allegations in the notice of opposition.

The record includes the pleadings; the file of the opposed application; the testimony of opposer's witness Luis de Javier and applicant's witnesses Bryan M. Haines and Ricardo Espinosa. In addition, opposer has submitted, under a notice of reliance, applicant's responses to opposer's first set of requests for admission, and applicant has submitted, under a notice of reliance, opposer's responses to applicant's first set of interrogatories. Applicant also submitted, with its notice of reliance, the affidavit of its CFO. While such a document is not proper subject matter for a notice of reliance, opposer specifically stated in its brief that it has elected not to object to it. Accordingly,

we deem the affidavit to have been stipulated into the record.

Only opposer filed a brief; both parties were represented at an oral hearing before this Board.

The evidence shows that opposer is a Spanish company which produces wines and brandies. The business was started in 1870. In 1977 opposer established a winery in Chile, and in the early 1980's established one in California. It now produces wines in Spain, Chile and the United States. Opposer uses its company name or house mark TORRES on all the labels for its wines, as well as a specific product mark.

Opposer uses DE CASTA as a product mark for a rose wine which it produces in Spain. It has shipped DE CASTA wine to the United States since 1970, with sales reaching a high of 4,286 cases in 1973, and averaging between 1000 and 2000 cases each year from 1976 to 1986, and dropping from that point. Sales have been made throughout the United States. The wine is imported into the United States by an importer, and is then distributed by regional or local distributors. Although opposer does not pay to advertise its products to the public, it has received publicity through newspaper articles. Opposer does provide promotional materials to the distributors and wholesale customers of its products, such as restaurants and wine bars.

Although opposer now uses its DE CASTA mark solely on rose wine in the United States, in the past it used the mark on whiskey, brandy and gin sold in the United States, and currently sells whisky and gin under the mark in Europe.

Although applicant's application was based on an intent to use the mark in commerce, the evidence shows that applicant's CASTA tequila was imported into the United States beginning in 1996. "Tequila" is an officially protected designation of origin, and cannot be used on any product not made in Tequila, Mexico. Applicant's tequila is in the premium price category, and is sold in a hand-blown glass bottle representative of Mexican art crafts.

Priority is not in issue in this proceeding, since opposer has made of record status and title copies of its pleaded registrations for DE CASTA for wine.[2] **King Candy Company v. Eunice King's Kitchen, Inc.**, 496 F.2d 1400, 182 USPQ 108 (CCPA 1974). Moreover, the record shows that opposer has used the mark DE CASTA for wine since long prior to the filing of applicant's intent-to-use application on April 28, 1995.

This brings us to the issue of likelihood of confusion. In determining this issue, two key factors are the similarity of the marks and the similarity of the goods.

[2] Registration No. 1,097,673, issued July 25, 1978; Section 8 affidavit accepted; Section 15 affidavit received; renewed;

Turning first to the marks, we find that they are virtually identical in appearance, pronunciation and commercial impression, CASTA being the dominant word in opposer's mark and applicant's mark in its entirety. The initial portion of opposer's mark, DE, is a preposition meaning "of." Those who understand Spanish would realize that CASTA is the primary part of the mark, and because "de" means "of" in many Romance languages, and because of the manner in which it appears, even non-Spanish speakers will regard it as secondary.

As for the connotation of the marks, the parties' Spanish-speaking witnesses have provided somewhat different translations. Mr. de Javier, the director of opposer's legal department, who is from Spain, testified that, in effect, DE CASTA, as applied to a person, means one having a good family background, and as applied to animals, means that they come of good stock.[3] He also testified that there

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Registration No. 1,728,000, issued October 27, 1992; Section 8 affidavit accepted; Section 15 affidavit received.

[3] It is obvious from Mr. de Javier's testimony that English is not his native language, so we have paraphrased his translation of DE CASTA. His actual testimony was:

> Well, it's quite a typical Spanish expression. I must say that it really should be good background or something like this. In a family with several generations, if a person is good and the parents and the grandparents and so on has been in the same way, so we say, well, he's a person of De Casta, one with faith, serious, this is what we say. And also if we're referring to animals, for instance, with a horse that is a very good racer, it is because the parents

is no difference in Spanish between De Casta and the word Casta alone, because de is the preposition "of" and one would never use the word Casta per se. Mr. Espinosa, applicant's witness, who was raised in Mexico, testified that Casta means excellent qualities, and could apply to an animal, plant or person. When asked to translate De Casta, he said it would appear, even to Spanish-speaking people, to be a surname.

We believe that Mr. de Javier's translation is more accurate, and that Spanish-speaking people, in fact, would regard the two marks as having the same meaning. In this connection, we note that the translation contained in opposer's registrations (which of course issued many years prior to this litigation) states that "De Casta" refers to a person or animal of good stock or breeding, and that applicant originally stated, in its application, that "the word CASTA can be translated into English as 'breed' as of a horse, cow etc."[4] We also take judicial notice that a Spanish-English/English-Spanish dictionary translates "pedigree" as "de casta."[5]

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of the horse were racers as well so we say this is a horse of De Casta. P. 27.

[4] When the application was published, it was determined to print the translation as simply "breed."

[5] Cassell's Spanish-English English-Spanish Dictionary, © 1978. The Board may take judicial notice of dictionary definitions. **University of Notre Dame du Lac v. J. C. Gourmet Food Imports**

We also point out that, even if there are subtle differences in meaning between DE CASTA and CASTA, to a non-Spanish speaking person there would be no connotative differences in the marks at all.

In view of the foregoing, we find that the marks are substantially identical, and would convey the same commerical impression. We also note that DE CASTA is an arbitrary term for alcoholic beverages. Applicant has not submitted any evidence of third-party use or registrations of DE CASTA or other CASTA marks, such that we could conclude that DE CASTA is entitled to only a limited scope of protection.

With respect to the goods, we recognize that there are clear differences between tequila and wine. They are produced differently, one being a distilled beverage and the other fermented; they smell and taste different; they are different in color; and they are sold in differently-shaped bottles. There is no question that a consumer would be able to distinguish the two products, and would not mistake one for the other. However, the test in determining likelihood of confusion is not whether the products are distinguishable, but whether they would be thought to come from the same source. As it has often been stated, it is

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Co., Inc., 213 USPQ 594 (TTAB 1982), aff'd, 703 F.2d 1372, 217 USPQ 505 (Fed. Cir. 1983).

not necessary that the goods of the parties be similar or competitive, or even that they move in the same channels of trade to support a holding of likelihood of confusion. It is sufficient that the respective goods of the parties are related in some manner, and/or that the conditions and activities surrounding the marketing of the goods are such that they would or could be encountered by the same person under circumstances that could, because of the similarity of the marks, give rise to the mistaken belief that they originate from the same producer. **In re International Telephone & Telegraph Corp.**, 197 USPQ 910, 911 (TTAB 1978).

In this case, the evidence shows that a single company may produce both wine and distilled beverages. Opposer itself sells wine, whiskey, gin and brandy, and at one time sold these products in the United States under the DE CASTA mark. Further, a single distributor may sell both wine and spirits (i.e., distilled beverages like tequila), and wine and tequila are both sold in restaurants, bars, and liquor stores. Although the testimony is that spirits like tequila would not be in the same section of a liquor store as wine, it appears to us that both wine and tequila could be purchased by the same customer while in that store. See **Monarch Wine Co. v. Hood River Distillers**, 196 USPQ 855, 857 (TTAB 1977).

At the oral hearing applicant argued that the parties' goods are priced differently, and would therefor appeal to different classes of purchasers. However, it is well established that in a proceeding such as this, the question of likelihood of confusion must be determined based on an analysis of the mark as applied to the goods and/or services recited in applicant's application vis-à-vis the goods and/or services recited in an opposer's registration, rather than what the evidence shows the goods and/or services to be. **Canadian Imperial Bank of Commerce v. Wells Fargo Bank, NA**, 811 F.2d 1490, 1 USPQ2d 1813 (Fed. Cir. 1987). Because there are no limitations on the "wine" identified in opposer's registrations and the "tequila" identified in applicant's application, we must assume that they can be sold at all price points for such goods. Applicant's attorney acknowledged at the oral hearing that tequilas range in price from very inexpensive to expensive. To the extent that the parties' marks may be used on inexpensive products, we must assume that the customers for such goods may purchase them casually, and without a great deal of thought or care.

We have also taken into consideration the fact that term "tequila" may only be used for a product which originates in Mexico, and that opposer's wine is produced in Spain. However, we are not persuaded that consumers will

scrutinize the labels of opposer's product to ascertain that fact, nor even if they did, that they would assume from this that the goods emanate from different sources. Simply because a company is located in one country does not mean that they cannot have a business, subsidiary or licensee in another country. Opposer itself, although a Spanish company, has wineries in Chile and the United States.

Accordingly, after considering all the applicable duPont factors,[6] and particularly the substantial similarity of the marks and the relatedness of the goods, we find that applicant's use of CASTA for tequila would be likely to cause confusion with opposer's use of DE CASTA for wine.

We also note that applicant, as a newcomer, has the obligation to avoid confusion. **Carl Karcher Enterprises Inc. v. Stars Restaurant Corp.**, 35 USPQ2d 1125, 1133 (TTAB1995). Therefore, we follow the well-established principle that any doubts on the issue of likelihood of confusion must be resolved against applicant, as the newcomer. See **A. H. Robins Company, Inc. v. Evsco Pharmaceutical Corp.**, 190 USPQ 340 (TTAB 1976).

Decision: The opposition is sustained.

R. F. Cissel

E. J. Seeherman

G. D. Hohein
Administrative Trademark Judges
Trademark Trial and Appeal Board

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[6] **In re E.I. du Pont de Nemours & Co.**, 476 F.2d 1357, 177 USPQ 563 (CCPA 1973).